

**UTAH FOUNDATION FOR  
AGRICULTURE IN THE CLASSROOM  
FINANCIAL STATEMENTS**

*For the Years Ended June 30, 2005 and 2004*

SMITH POWELL AND COMPANY, LLC  
CERTIFIED PUBLIC ACCOUNTANTS

**UTAH FOUNDATION FOR  
AGRICULTURE IN THE CLASSROOM**  
**FINANCIAL STATEMENTS**  
*Years Ended June 30, 2005 and 2004*

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SMITH POWELL AND COMPANY, LLC  
CERTIFIED PUBLIC ACCOUNTANTS  
68 SOUTH MAIN, THIRD FLOOR  
SALT LAKE CITY, UTAH 84101

**Accountant's Compilation Report**

To the Board of Trustees of  
The Utah Foundation for Agriculture in the Classroom.  
Salt Lake City, Utah

We have compiled the accompanying statements of financial position of The Utah Foundation for Agriculture in the Classroom (a nonprofit organization) as of June 30, 2005 and 2004, and the related statements of activities and cash flows for the years then ended, in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

*Smith Powell and Company, LLC*

December 29, 2005

# UTAH FOUNDATION FOR AGRICULTURE IN THE CLASSROOM

## Statements of Financial Position June 30, 2005 and 2004

*(See Accountant's Compilation Report)*

<b>ASSETS</b>	<u><b>2005</b></u>	<u><b>2004</b></u>
<b>Current Assets</b>		
Cash and Cash Equivalents	\$ 23,529	\$ 13,294
Certificate of Deposit	54,290	53,246
Accounts Receivable	<u>0</u>	<u>3,204</u>
Total Current Assets	<u>77,819</u>	<u>69,744</u>
<b>Property</b>		
Software	12,000	12,000
Less: Accumulated Amortization	<u>(10,660)</u>	<u>(6,660)</u>
Total Property	<u>1,340</u>	<u>5,340</u>
<b>TOTAL ASSETS</b>	<u><b>\$ 79,159</b></u>	<u><b>\$ 75,084</b></u>
 <b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$ 23,898	\$ 0
Total Current Liabilities	<u>23,898</u>	<u>0</u>
 Total Liabilities	<u>23,898</u>	<u>0</u>
<b>Net Assets</b>		
Unrestricted	<u>55,261</u>	<u>75,084</u>
Total Net Assets	<u>55,261</u>	<u>75,084</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><b>\$ 79,159</b></u>	<u><b>\$ 75,084</b></u>

*See accompanying notes to financial statements.*

# UTAH FOUNDATION FOR AGRICULTURE IN THE CLASSROOM

**Statements of Activities**  
*Years Ended June 30, 2005 and 2004*

*(See Accountant's Compilation Report)*

UNRESTRICTED NET ASSETS	<u>2005</u>	<u>2004</u>
<b>REVENUE AND SUPPORT</b>		
State Legislative Appropriation	\$ 70,000	\$ 50,000
Donor Contributions	26,888	30,000
Net Sale of Education Material (Cost \$0 in 2005 and \$3,223 in 2004)	1,718	23,919
Interest Income	1,939	1,456
Conference Revenue	<u>0</u>	<u>347</u>
Total Revenue and Support	<u>100,545</u>	<u>105,722</u>
<b>EXPENSES</b>		
(SEE NOTE 5 FOR FUNCTIONAL CLASSIFICATION)		
Amortization Expense	4,000	4,000
Awards & Recognition	300	472
Bad Debts	10	287
Bank Charges	0	7
Employee Benefits	13,903	12,870
Freight & Postage	4,755	5,769
Other Expenses	4,723	2,755
Payroll Taxes	3,732	3,334
Printing & Copying	4,916	10,487
Professional Fees	2,975	3,650
Repairs & Maintenance	113	2,164
Salaries & Wages	58,182	52,124
Software	336	593
Supplies	9,712	17,088
Telephone	2,463	2,700
Travel	3,897	6,843
Vehicle Expense	<u>6,351</u>	<u>7,456</u>
Total Expenses	<u>120,368</u>	<u>132,599</u>
CHANGE IN UNRESTRICTED NET ASSETS	(19,823)	(26,877)
TOTAL NET ASSETS AT BEGINNING OF YEAR	<u>75,084</u>	<u>101,961</u>
<b>TOTAL NET ASSETS AT END OF YEAR</b>	<u><b>\$ 55,261</b></u>	<u><b>\$ 75,084</b></u>

*See accompanying notes to financial statements.*

# UTAH FOUNDATION FOR AGRICULTURE IN THE CLASSROOM

**Statements of Cash Flows**  
*Years Ended June 30, 2005 and 2004*

*(See Accountant's Compilation Report)*

<b>OPERATING ACTIVITIES</b>	<u>2005</u>	<u>2004</u>
Change in Net Assets	\$ (19,823)	\$ (26,877)
Adjustments to Reconcile Change in Net Assets to Net Cash Provided (Used) from Operating Activities:		
Depreciation and Amortization	4,000	4,000
Changes in Current Assets and Liabilities:		
Accounts Receivable	3,204	(3,147)
Grant Receivable	0	5,000
Accounts Payable	<u>23,898</u>	<u>(14,027)</u>
Net Cash Provided (Used) in Operating Activities	<u>11,279</u>	<u>(35,051)</u>
 <b>INVESTING ACTIVITIES</b>		
Current Additions to Certificate of Deposit	<u>(1,044)</u>	<u>(856)</u>
Net Cash Provided (Used) by Investing Activities	<u>(1,044)</u>	<u>(856)</u>
 Net Increase (Decrease) in Cash and Cash Equivalents	10,235	\$ (35,907)
 Cash and Cash Equivalents at Beginning of Year	<u>13,294</u>	<u>49,201</u>
 <b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	 <u><u>\$ 23,529</u></u>	 <u><u>\$ 13,294</u></u>

*See accompanying notes to financial statements.*

# UTAH FOUNDATION FOR AGRICULTURE IN THE CLASSROOM

*Years Ended June 30, 2005 and 2004*

## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

- A. **Organization and Activities** - The Utah Foundation for Agriculture in the Classroom (UFAC) is a non-profit organization whose purpose is to educate Utah students and other Utah residents about agriculture.

UFAC works with Utah State University in a cooperative agreement to accomplish their mutual agricultural literacy educational programs.

- B. **Basis of Accounting** - The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.
- C. **Revenue and Support** - Revenue and Support are recorded as unrestricted and, if applicable, temporarily restricted, or permanently restricted depending on the existence and/or nature of any donor or other restrictions. Support received from governmental sources is considered unrestricted as long as it is expended under contractual guidelines and is expended in the designated period.
- D. **Use of Estimates** - The preparation of financial statements in conformity with generally accepted accounting principles requires the use of management's estimates.
- E. **Cash and Cash Equivalents** - Short-term investments with an original maturity of three months or less are considered cash equivalents for the statement of cash flows.
- F. **Certificate of Deposit** - At June 30, 2005 and 2004 the foundation had a certificate of deposit maturing six months from date of original purchase.
- G. **Accounts Receivable** - Trade accounts receivable are stated at the amount management expects to collect from outstanding balances. Due to the relatively small balance of receivables, management directly writes off receivables it considers uncollectible at year end rather than using an allowance for doubtful accounts.
- H. **Property** - Property is carried at cost, and consists of software used in the production of course material and workshop demonstrations. Property is being amortized over three years on the straight line method. Amortization expense for the years ended June 30, 2005 and 2004 was \$4,000 each year.
- I. **Reclassifications** - Certain amounts from 2004 have been reclassified to conform with the 2005 method of presentation. These reclassifications have no effect on previously reported income.

# UTAH FOUNDATION FOR AGRICULTURE IN THE CLASSROOM

*Years Ended June 30, 2005 and 2004*

## NOTE 2 - INCOME TAX STATUS

The Foundation obtained exemption from income taxes under Section 501(c)(3) of the Internal Revenue Code as a charitable organization.

## NOTE 3 - CONCENTRATIONS OF RISK

### **Business Risk**

Utah State appropriation funds accounted for 70% and 47% of the Foundation's unrestricted revenues for the years ended June 30, 2005 and 2004.

## NOTE 4 - FAIR VALUE OF FINANCIAL INSTRUMENTS

The Foundation has a number of financial instruments, none of which are held for trading purposes. The Foundation estimates that the fair value of all financial instruments at June 30, 2005 and 2004 does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying statement of financial position.

## NOTE 5 - FUNCTIONAL EXPENSES

The cost of providing various programs and activities have been summarized by their natural classification in the statement of activities. In addition, these costs have been allocated among the programs and supporting services benefitted as follows:

### Program Expenses:

	<u>2005</u>	<u>2004</u>
Agricultural Publications	\$ 28,889	\$ 41,105
In-Service Teacher Training	62,591	62,322
Pre-Service Teacher Training	13,240	13,260
Management & General	<u>15,648</u>	<u>15,912</u>
Totals	<u>\$ 120,368</u>	<u>\$ 132,599</u>